

Information for current suppliers to Bayer Animal Health



Assuming the proposed acquisition of Bayer Animal Health by Elanco has received the necessary regulatory approvals, currently anticipated for mid-2020 to enabling closing, the following information/instruction is relevant to existing Bayer Animal Health suppliers, valid from the point of closing. All dates are correct at the time of posting but may be subject to change. This document was last updated on 10 JUL 2020.

Any Bayer Animal Health supplier requiring additional information or support in respect to acquisition readiness planning and post-close operations should contact the Elanco procurement team on suppliers@elancogroups.com. Please do not contact Bayer as they are not able to provide Elanco/post-close related information.

The contents of this page remain in development and may be regularly updated. Please refer back to this page for further instruction.

We are pleased to inform you that Elanco's planned acquisition of Bayer AG's Animal Health business is nearing completion, with an expected closing date in mid-2020.

At close, we will join two complementary animal health-focused organizations, creating one company dedicated to making an even bigger difference to the lives of people, pets, farm animals and the veterinarians who support them all. Elanco and Bayer Animal Health share a passion for innovation, focused on delivering meaningful solutions. With our singular focus on animal health, as a combined organization we will bring even better access to products and solutions to all our customers.

The following information may be useful to Bayer Animal Health and joint Bayer Animal Health and Elanco suppliers for awareness and to ensure continuity of supply and payment after closing. Until the deal closes, however, Bayer Animal Health and Elanco remain two separate and independent companies.

Pre-close Instructions

If you only supply Elanco, then you do not need to take action – please continue as usual.

If you have provided goods or services to Bayer Animal Health, or to both Elanco and Bayer Animal Health, since January 1 2018 you should already have received, or will shortly receive, a [communication from Bayer](#) which included [information from Elanco](#) regarding important steps you will need to take to ensure continuity of goods/service supply and invoicing. Please follow their guidance on how to manage the transition. Continue to supply goods or services as normal in line with your Bayer purchase order agreements and/or information provided on the Bayer supplier portal. Your terms and conditions will not change for goods and services ordered before closing of the acquisition.

Partial Delivery

If your contracted supply of goods or services will not be fully completed by closing (partial delivery), Bayer Animal Health likely will need to shut down your purchase order shortly before the acquisition closes and it will be reopened post-close in a new system with the same terms and conditions, for the remaining portion of the order. Please ensure you correctly invoice Bayer for the appropriate pre-close portion of the purchase order.

Set Up an Elanco Account

If you currently only supply Bayer Animal Health, it is important that you set Elanco up as a named customer in your systems before closing so that you can continue to supply goods or services, invoice and be paid correctly post-close.

If you currently supply both Bayer Animal Health and Elanco you will need to set up an additional Elanco account as we will manage invoices through two separate financial systems for a period of time after closing. Incorrect invoicing after closing may result in delayed payments.

Blackout Period for Bayer Animal Health Purchase Orders & Invoices

There will be a brief blackout period over the closing period where new Bayer Animal Health purchase orders cannot be raised or invoices paid, while we transition critical financial systems. This will not impact existing Elanco business, which will continue to operate as normal throughout the blackout period.

If you have specific questions or require further information, please get in touch with your usual Bayer Animal Health contact.

Post-close Instructions

If you currently only supply Elanco you do not need to take action as your engagement will continue to be facilitated through the existing Elanco financial systems – please continue as usual.

Bayer Animal Health only suppliers, should use their newly created customer identifier for all activities after the close of the acquisition as referenced in the pre-close instructions above.

Joint Elanco and Bayer Animal Health suppliers, will be required to use their existing customer identifier for the legacy-Elanco business and the newly created customer identifier for the legacy-Bayer Animal Health business. This is necessary because we will operate on two financial systems for a period following close.

Pay close attention to the purchase order numbers and the corresponding invoice delivery address as they will differ depending on the issuing financial system. While Elanco is working hard to streamline processes and minimize issues, invoicing the incorrect address could cause delays in payment.

We will inform you of any changes regarding delivery addresses or contracting legal entity names as we fully integrate under Elanco and begin operating as a combined organization.

All Invoices for goods or services provided or ordered after close (currently expected to be mid-2020) should be billed to Elanco through the correct financial system. Please review the pre-close instructions above for information on invoicing for goods or services supplied to Bayer before closing of the acquisition.

Details of your current Bayer Animal Health or Elanco contact will not change prior to close, and in most cases will remain the same for a period of time after close. Please continue to use these contacts, unless informed otherwise, for any specific questions or for additional information.

Next Steps

At this time, our top priority is to maintain business continuity. Contract changes, renewals, and business relationships will be re-examined in due course as Elanco fully integrates its new acquisition of the legacy-Bayer Animal Health business units. We will provide you with further information shortly after the closing of the transaction.

Our future colleagues in Bayer Animal Health will keep you informed and will provide further information until the deal closes, until then, we remain two separate and independent companies. Please continue to engage in business as usual with both Elanco and the legacy-Bayer Animal Health business units.

We are not expecting significant changes in how we do business with you. We anticipate a smooth transition but please contact your Bayer Animal Health or Elanco procurement contact if you have specific questions or require additional information.

Following completion of the acquisition, the newly combined procurement team will contact your sales/supply team to discuss next steps and any changes relevant to your purchase orders.

We look forward to having the opportunity to work with you and we thank you for your ongoing support through this transition period and beyond.